Bulk Petroleum Executive Agent Update

European Command Petroleum Conference

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DESC-DC

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EA Agenda

Defense Energy Support Center

Current Status of Bulk Petroleum EA

- EA Chronology
- EA Defined
- EA Vision
- EA Authorities
- EA Component Steering Group
  - Membership
  - Integrated Process Teams (IPTs)

EA Chronology

- Deputy Under Secretary of Defense/ Logistics & Material Readiness 15 Feb 2002 Memo directed DLA to prepare draft DoDD for Bulk Petroleum (5101.xx)
- Internal DESC meeting 5-6 Mar 2002
- Component meeting 19-20 Mar 2002
- IPT meetings 9-11 Jul 2002
- EA Directive 5101.1 Signed 3 Sep 2002
- Draft 5101.X Bulk Fuels Directive formally coordinated 22 May 2003; currently awaiting Sec of Defense review and approval (as of 31 Mar 04)

EA Defined

Defense Energy Support Center

Executive Agent: The Head of a DoD Component to whom the Secretary of Defense or the Deputy Secretary of Defense has assigned specific responsibilities, functions, & authorities to provide defined levels of support for operational missions, or administrative or other designated activities that involve two or more of the DoD Components. The nature & scope of the DoD Executive Agents' responsibilities, functions, & authorities shall:

- Be prescribed at the time of assignment
- Remain in effect until the Secretary of Defense or the Deputy Secretary of Defense revokes or supersedes them.

DoD Directive 5101.1

EA Vision

- Execute Supply Chain Management for all bulk petroleum owned by the DoD from source of supply to the point of customer acceptance
- Improve support to the warfighter by ensuring peacetime efficient & wartime effective customer support
- Procure, store & distribute bulk petroleum to all customers of the DoD wherever & whenever it is needed
- Integrate civil & military petroleum capabilities to the maximum extent feasible throughout the world where ops occur
- Provide fuel & information support to Combatant Commanders to meet their operational requirements

Bulk Petroleum EA Authorities

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In collaboration with the military services and combatant commands:

- Full authority to manage the entire bulk petroleum supply chain from procurement to end point customer sale
  (Draft DoDD 5101.xx Para 4.1)

- Authority to determine standard common bulk petroleum handling equipment & training standards
  (Draft DoDD 5101.xx Para 5.6.3, 5.6.6, 5.6.7.2)

- Authority to procure, distribute, maintain, & centrally store common tactical petroleum equipment upon agreement of the Services
  (Draft DoDD 5101.xx Para 5.6.4)

Bulk Petroleum EA Authorities

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- Authority to fully engage in petroleum planning activities with Services & Combatant Commanders to share and leverage available DoD resources
  (Draft DoDD 5101.xx Para 5.6.1, 5.6.7.1, 5.6.7.2)

- Authority to standardize quality policy & procedures across the DoD bulk petroleum supply chain
  (Draft DoDD 5101.xx Para 5.6.10)

- Establish & chair a DOD Component Steering Group (CSG) that will use Integrated Process Teams to fulfill EA responsibilities
  (Draft DoDD 5101.xx Para 5.6.11)

EA Component Steering Group (CSG)

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Joint forum to assist EA in discharging responsibilities

- Chaired by DESC Director
- DESC-DC designated as CSG Executive Secretary
- Membership:
  - JCS/J4 Petroleum Officer
  - DESC Director of Operations
  - AFPET Commander
  - NOLSC-DC Commander (formerly NAVPET)
  - Department of the Army/G-4
  - Petroleum Officer HQMC, DC, Installations and Logistics, Engineer Advocacy Center
  - Combatant Commands JPOs

EA Touch Points

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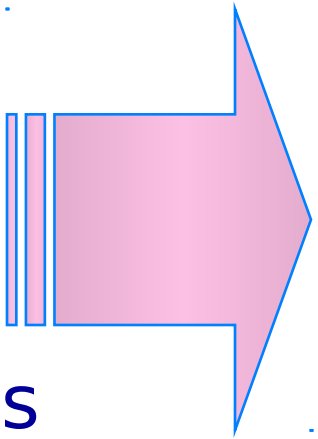
Organization

- DESC
- DLA
- JCS
- OSD
- Military Services
- COCOMs



Functional Areas

- Fuels
- Finance
- Operations
- Maintenance
- Acquisition
- Transportation

• Bigger Than CSG…More Than Fuels

CSG Integrated Process Teams (IPTs)

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- CSG approved IPTs
  - Equipment/Training Standardization
  - Petroleum End-to-End Distribution (includes Host Nation Support)
  - Information Management
- Potential IPT
  - Quality Standardization
  - Combatant Command/DESC Integration
  - Resources (lagging IPT)

Integrated Process Teams

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Equipment/Training Standardization

Desired Outcome

- Standardized petroleum equipment for all Services
- State of the art joint systems that are lighter, have fully interchangeable spare parts, require less manpower to setup/operate, & that quickly/safely receive/store/issue petroleum to meet the Combatant Commanders mission
- Standardized acquisition & maintenance programs for equipment
- Interoperability of future petroleum handling equipment & effective use of present Component petroleum equipment inventory
- Standardized training for basic petroleum operations & joint use of common fuels equipment; specialized Component training

Integrated Process Teams

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Petroleum End-to-End Distribution

Desired Outcome

- Responsive support to war fighter rear area petroleum functions by shared & leveraged DoD resources to reduce costs & avoid unnecessary redundancies
- Seamless integration of all elements of the bulk petroleum supply chain
- Maximum use of established bulk petroleum supply & distribution infrastructure with necessary augmentation & mixture/blend of commercial contract & military assets
- Standard point of sale definition (last tactical mile)

Integrated Process Teams

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Information Management

Desired Outcome

- Integrated information system to fully support EA implementation (quality, personnel, facilities, equipment)
- Management information & accounting system in compliance with DoD FMR
- Comprehensive visibility of government, allied, coalition, host nation, & commercial bulk petroleum assets
- Incorporate DESC IM system into the DLA BSM system

Integrated Process Teams

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Petroleum Quality Standardization

Desired Outcome

- Standardized DoD petroleum quality policy, specifications, & procedures
- Joint DoD program oversight of all bulk petroleum quality surveillance
- Effective & efficient organization structure for DoD Petroleum laboratory infrastructure

Integrated Process Teams

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Combatant Command/DESC Integration

Desired Outcome

- Informed, responsive, centralized planning & execution for Class III bulk petroleum support to the Combatant Commanders
- Comprehensive & effective customer relationship management
- Streamlined petroleum requirements & information flow between the war fighter (JPO) & DESC

Integrated Process Teams

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Resources

Desired Outcome

- Responsive support to warfighter rear area petroleum functions by sharing & leveraging DoD resources to reduce costs & avoid unnecessary redundancies
- Seamless integration of all elements of the bulk petroleum supply chain
- Achieve maximum use of established bulk petroleum supply & distribution infrastructure with necessary augmentation & mixture/blend of commercial contract & military assets
- Provide program support compliant with PPBS

Summary

Defense Energy Support Center

- EA Chronology
- EA Defined
- EA Vision
- EA Authorities
- EA Component Steering Group